

November 15, 2012

Received & Inspected

NOV 03 2012

FCC Mail Room

CENTRAL
SUSQUEHANNA
INTERMEDIATE
UNIT

Marlene H Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street SW
Washington DC 20554

Technology
Group

**CC Docket No. 02-6
Request for Review**

Re: Midd-West School District

To Whom It May Concern:

Please accept this correspondence as the Letter of Appeal in accordance with the instructions set forth on the USAC website. An Administrator's Decision on Appeal - Funding Year 2012-2013 letter dated October 15, 2012, indicated that the district signed a contract prior to the allowable contract date. We respectfully disagree.

During the summer of 2010, the district was in the middle of a major building construction/renovation project and required local telephone service to be installed into new office and classroom areas. On June 08, 2010, an agreement/work order was signed with Service Electric Telephone (current service provider at that time) for this service.

A new 470 Form (Application # 924360000863296) was filed for year 2011 and, after 28 days, as per E-Rate requirements, the district did not receive any bids or proposals for that application. On November 19, 2010, a 5-year contract that supersedes the June 8th agreement was signed with Service Electric Telephone.

During the PIA review, the June 8th agreement was erroneously sent to the reviewer instead of the November 19th agreement. These agreements were both identical standard contracts from Service Electric Telephone and are identical except for the signature date.

A letter from the district cc'ing Service Electric Telephone was forwarded to Schools and Libraries on August 1, 2012 clarifying the differences between these two contracts. (exhibit A LETTER). Also attached is a letter from Service Electric Telephone (exhibit B LETTER) confirming the difference between the two contracts.

Because it was the district's intent to seek the lowest possible pricing for

P.O. BOX 213
LEWISBURG, PA 17837
570-523-1155
FAX 570-524-7104
www.csiu-technology.org

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0

telephone service per FCC E-Rate guidelines, and because it filed the appropriate Form 470 and Form 471 for the services covered by the November 19th contract that superseded the June 8th agreement, we feel that the discount funding of \$5,848.25 should be approved.

Below is a summary of the original application and contact information:

Applicant Name:	Midd-West School District
Billed Entity Number	125856
Form 471 Application Number:	836008
Funding Request Number(s):	2268930

Please send a copy of your response to our legal counsel:

Terry W. Light J.D.
Brann & Light P.C.
112 Market Street
Lewisburg, PA 17837

Thank you for your assistance and cooperation in this matter.

Sincerely



Geoff Craven
Manager of Telecommunications and Technology Support

Cc: Terry Light

MIDD-WEST SCHOOL DISTRICT

568 East Main Street, Middleburg, PA 17042-1200 • Phone: 570 857-0046 • Web site: www.mwsd.cc



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NOV 09 2012
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August 1, 2012

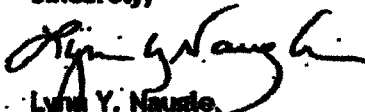
Judy Reichard
CSU #16
PO Box 213
Lewisburg, PA 17837-0213

Dear Judy,

Please accept this statement as clarification of the Service Electric telephone contracts for the Midd-West School District. The first contract was signed and dated on June 10, 2010 was for July 1, 2010 through June 30, 2011 - due to building renovations that were taking place. A form 470 was then filed for the upcoming funding year and a new 60-month contract was signed November 19, 2010 to take effect July 1, 2011. Service Electric was the lowest responsible bidder and this contract supersedes any previous agreements.

Please let me know if you need anything further.

Sincerely,


Lynn Y. Naugle
Business Manager

CC: Larry Santora, Service Electric

Midd-West High School
540 East Main Street
Middleburg, PA 17042-1200
Phone 570 857-0046

Middleburg Middle School
10 Duck Hill Road
Middleburg, PA 17042-0910
Phone 570 857-0561

West Taylor Middle School
605 Taylor Avenue
Lewisburg, PA 17832-0795
Phone 570 858-9144

Middleburg Elementary School
600 Wagner Street
Middleburg, PA 17042-1204
Phone 570 857-0046

East-West Ferry Elementary School
1000 North 25
Mt. Pleasant, PA 17033-0010
Phone 570 530-0200

West Beaver Elementary School
21 South Zeller Street
McChes, PA 17033-0230
Phone 570 636-7911

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Midd-West School District is an Equal Opportunity Employer



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November 15, 2012

FCC

Office of the Secretary

445 12th Street SW

Washington, DC 20554

To Whom it May Concern:

Please accept this statement as clarification of the Service Electric Telephone contracts for the Midd-West School District. Midd-West School District is under contract with Service Electric though a contract dated November 19, 2010, which supersedes the June 10, 2010 agreement that was created to provide telephone service as the result of a building construction project underway. Service Electric responded to a Form 470 posted by the school district and provided the November 19, 2010 contract to supersede the June 8, 2010 contract and take effect on July 1, 2011 for five years.

I do apologize for any confusion regarding the agreements.

Please let me know if there is anything else you need to ensure Midd-West School District qualifying for E-rate.

Sincerely,

Dave George

General Manager

Service Electric Telephone/Ironton Telephone

Attachment to the E-rate Appeal letter to the FCC
Date: November 15, 2012

Midd-West School District
Billed Entity Number: 125856
Form 471 #: 8366008
Frn #: 2268930

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Since I am the e-rate consultant for the Midd-West School District, I felt that sometimes a simple breakdown is easier so I did this summary of the events leading up to us (myself and Geoff Crave, my supervisor) filing the appeal to the FCC.

May 14, 2012 – Received first letter through email from Vibhuti (PIA reviewer) with 15 day due date about working on Midd-West School District's e-rate 471 filing.

May 21 – Letter received through email from Vibhuti with 15 day due date about contract information needed since I filed the 471 in error as a month to month due to the fact that it was the first year working with Midd-West School District and they sent me a copy of their bills. Not knowing there was a contract even though on my questionnaire to the district before filing requesting any contracts or copies of bills.

May 21 - Called Midd-West School District inquiring about any contract. She sent me the wrong contract (1st contract signed June 8, 2010/June 10th signed by service provider – needed the second contract but I didn't know there was a second contract.)

May 21 – Faxed contract and letter with information to Vibhuti not knowing the information was wrong and there was a second contract.

May 23 – Letter received through email from Vibhuti with 15 day due date about 1st contract and date.

May 23 – Emailed Midd-West School District, she emailed me the correct and current contract (Nov 19, 2010)

May 23 – Sent copy of correct contract to Vibhuti.

June 13 – Letter received through email from Vibhuti with 15 day due date requesting explanation of difference of the two contracts.

June 14 – emailed Midd-West SD about the contracts, no dates on contracts and needed more information and letter to send to the PIA reviewer stating that the second contract dated November 19, 2010 superseded the June 8, 2010.

June 25 – Letter received through email from Vibhuti with due date June 28– Geoff Craven, my supervisor, sent Vibhuti an email my mother died, Vibhuti responded - they will put a hold on it.

July 5 – I faxed the two contracts with effective dates on after contacting the district to do so.

July 18 – Letter received through email from Vibhuti with NO due date listed like all previous emails giving us the 15 days to respond. I didn't realize there was no 15 day time frame which was my error not catching it. I was on vacation that week of July 18 but my computer sent an out of the office email reply that I was out for the week back to Vibhuti.

July 23 – On my return to the office, I emailed Midd-West School District again requesting a letter.

July 31 - Letter dated July 31st from USAC received through regular mail on August 6th from USAC with information it was all denied. All United States Postal mailed letters come several days after the letter date instead of the same day letters that are emailed. Vibhuti had to have sent it for closure days before July 31, the date on the letter, to have her supervisors/USAC time to review all the information she had and then send it to me dated the 31st.

August 1 - Received email from Midd-West School District with clarification statement

August 1 – Sent email with Midd-West SD's letter to Vibhuti

August 1 – Received an email from Vibhuti with an out of office reply she was out of the office until August 6. So it was then that I realized that there was no 15 day request date on the letter of July 18 for 15 days from the 18th was August 2nd and I sent all the information to Vibhuti on August 1st. It looks to me like she quickly forwarded all the info to be completed so she had it off her desk for when she left for vacation.

August 7 – Appeal letter was sent to USAC with Midd-West School District's letter.

Unfortunately on the appeal letter drafted by my supervisor, the dates say 2011 instead of 2010 in error which I missed when reviewing the letter and then only added to the denial.

October 15 – Letter received October 19 stating appeal was denied.

This has surely been a whirlwind experience with taking on Midd-West School District as a new e-rate client, working with Vibhuti, and the death of my mother.

Won't you please take a few minutes and review the attached copies and information backing up this summary of events.

I can only ask that you please carefully look into all this and reverse this denial.

Thanks so much for all your time and efforts.

Sincerely,

Judy Reichard

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FCC Mail Room



Schools and Libraries Division

May 21, 2012

Judy Reichard
MIDD-WEST SCHOOL DISTRICT
Telephone:
Application Number

(570) 5231155 Ext 2100
836008

Response Due Date: 06/05/2012

The Program Integrity Assurance (PIA) team is in the process of reviewing all Funding Year 2012 FCC Form 471 Applications to ensure that they are in compliance with the rules of the Universal Service program. We are currently in the process of reviewing your Funding Year 2012 FCC Form 471 Application. To complete our review, we need some additional information. The information needed to complete the review is listed below.

FRN 2268930 is currently listed as a Month-to-Month (MTM) service. You are requesting a change from a Month-to-Month (MTM) service to a contracted service. Is the discrepancy a result of a mistake made while you were completing your FCC Form 471, also known as Ministerial and Clerical (M&C) error? ☒ **Yes** ☐ **No**. Please see below a detailed M&C definition.

According to FCC Order (FCC 11-60), ministerial and clerical errors are defined as follows: "The applicant can amend its forms to correct clerical and ministerial errors on their FCC Forms 470, FCC Form 471 applications, or associated documentation until an FCDL is issued. Such errors include only the kinds of errors that a typist might make when entering data from one list to another, such as mistyping a number, using the wrong name or phone number, failing to enter an item from the source list onto the application, or making an arithmetic error." Additional correctable errors can be found in the FCC's Order DA-2354.

- If you answered No, the change will not be made on your FCC Form 471.
- If you answered **yes**, please provide a copy of the contract to validate the correction.
 - Also, please provide the following information:
 - **Contract Number:** N/A
 - **Contract Award Date:** 6/10/10
 - **Contract Expiration Date:** 6/30/15

Please note: the information provided above should match the information on the contract.

Please fax or email the requested information to my attention. If you have any questions or if you require a further explanation of this request, please feel free to contact me.

It is important that we receive all of the information requested within 15 calendar days so we can complete our review. **Failure to respond may result in a reduction or denial of funding.** If you need additional time to prepare your response, please let me know as soon as possible.

*Wrong contract
info sent to me
by Lynn @
Midd-West SD*

15 days

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*Last email -
and copy
of correct
contract
dated 11/19/10*

Schools and Libraries Division

May 23, 2012

Judy Reichard
MIDD-WEST SCHOOL DISTRICT
Telephone:
Application Number

(570) 5231155 Ext 2100
836008

Response Due Date: 06/07/2012

As we discussed in our conversation, we are in the process of reviewing all Funding Year 2012 FCC Form 471 applications to ensure that they are in compliance with the rules of the Universal Service program. I am currently in the process of reviewing your Funding Year 2012 FCC Form 471 Application. To complete my review I need some additional information. The information needed to complete the PIA Review is listed below.

Based upon review of your Funding Year 2012 FCC Form 471 application **836008**, it appears that FRN **2268930** is a request for services being provided under contract. Program rules require that a signed contract with your service provider be in place at the time of the submission of the FCC Form 471 certification. Based on our review, the Contract Award Date **06/10/2010** on your FCC Form 471 is prior to the Allowable Contract Date **11/17/2010** on the FCC Form 470 that established the bidding for these services.

To assist us in reviewing your FCC Form 471 application, please answer the following questions:

Is the FCC Form 470 # **924360000863296** referenced on your FCC Form 471 application # **836008** the FCC Form 470 that established the bidding process for the services associated with Funding Request Number(s) (FRN) **2268930**? Yes or No.

If No, please provide the following information:

- Please provide the 15-digit FCC Form 470 Number that established the bidding process for the FRN(s). The establishing FCC Form 470 is the specific FCC Form 470, which was posted to the USAC website for a period of 28 days for that particular service, and pursuant to which a contract was signed or an agreement was entered into. If the FCC Form 470 has not been certified please include a copy of the signed FCC Form 470 Certification page with your response. Failure to provide a copy of the signed FCC Form 470 Certification page will result in a denial of your funding request.

If Yes, please answer the following question:

- You indicated in Block 5, Item 18 of your FCC Form 471 that the Contract Award Date (CAD) for service this service was **06/10/2010**. Was the incorrect Contract Award Date entered at the time the FCC Form 471 was completed? **Yes or No.**

If Yes, please provide the following information:

See pg 2

For FRN(s) **2268930**, please provide a copy of the full contract, signed and dated by the applicant, to verify the correct Contract Award Date ("CAD"). If you do not provide a signed and dated contract, your entire FRN may be denied. If signed and dated contracts are not required under your state law or local procurement regulations, see below.

If the contract for the above services is a State Master Contract, you do not have to submit a copy of the signed contract if that contract is available online or has already been submitted to us in connection with the review of another FCC Form 471 application. However, please provide us with the State Master Contract name and number. If you have already submitted the relevant contract information in connection with another FCC Form 471 application review, please provide the FCC Form 471 application number that was involved so we can locate the relevant contract in our files.

Signed and Dated Contracts are not required in my state (only complete this section if applicable)

In some states, signed and dated contracts are not required under state law or local procurement regulations. If the entity receiving the services under this FRN is located in such a state, please provide supporting documentation demonstrating that this state's contract laws or the entity's local procurement regulations do not require signed and dated contracts. A letter from your state procurement office, a copy of your state's contract laws, or a copy of your local procurement regulations are examples of supporting documentation.

Along with your supporting documentation, please answer the following two questions :

1. Are you authorized to make the representations set forth below on behalf of **MIDD-WEST SCHOOL DISTRICT**, the entity represented on this letter, and are you the most knowledgeable person with regard to the information set forth herein? Yes _____ or No _____.
2. Can you confirm that the contract referenced for Funding Request Number(s) (FRNs) **2268930**, meets your state or local procurement regulations or rules? Yes _____ or No _____.

If you are not able to provide these supporting documents, you must instead provide a contract that is signed and dated by the applicant.

For further guidance regarding contracts, CADs and the process of selecting a service provider, please visit <http://www.usac.org/si/applicants/step03/default.aspx>.

Please fax or email the requested information to my attention. If you have any questions or if you require a further explanation of this request, please feel free to contact me.

It is important that we receive all of the information requested **within 15 calendar days** so we can complete our review. **Failure to respond may result in a reduction or denial of funding. If you need additional time to prepare your response, please let me know as soon as possible. If you are unable to provide the requested information because your school has closed or will shortly close for summer break, let me know when you will be available to respond to these questions.**

Please advise me if the Contact Person on the application(s) has changed from that on the original application. This change must include the FCC Form 471 application number(s) and be signed by the original application's Contact Person, the original application's Authorized Person or a school official (with name and title provided).



Last email letter received from Vibhuti

Schools and Libraries Division

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NOV 03 2012

FCC Mail Room

Jul 18, 2012

Judy Reichard
MIDD-WEST SCHOOL DISTRICT
Telephone:
Application Number

(570) 5231155 Ext 2100
836008

The Program Integrity Assurance (PIA) team is in the process of reviewing all Funding Year 2012 FCC Forms 471 to ensure that they are in compliance with the rules of the Universal Service program.

- I. We have completed our review of your Funding Year 2012 FCC Form 471 application **836008** and determined that FRN **2268930** is requesting services that are provided under contract. On your FCC Form 471, you had originally indicated that these services were being provided under a month-to-month or tariff basis. As a result of our review, your FRN has been modified to indicate that the services are being provided on a contractual basis. The FRN now reflects a Contract Award Date of **06/08/2010**, a Contract Number of **N/A** and a Contract End Date of **06/30/2015**.

If the CED should not be modified and you have alternative information to support your position, please provide your supporting documentation. Please keep in mind that your supporting documentation should be the documentation or data used to prepare your FCC Form 471 application. For additional information on the competitive bidding process, please see <http://www.usac.org/sl/applicants/step03/default.aspx>.

- II. Based on the supporting documentation you provided during the review of your Funding Year 2012 FCC Form 471 **836008**, the entire FRN **2268930** will be denied because the contract that you provided ~~was signed prior to the Allowable Contract Date~~. If the entire FRN should not be denied and you have alternative information, please provide documentation that supports your position.

For further guidance regarding contracts and the process of selecting a service provider, please visit <http://www.usac.org/sl/applicants/step03/default.aspx>.

Should you wish to cancel your FCC Form 471 application(s), or any of your individual funding requests, please clearly indicate in your response that it is your intention to cancel an application or funding request(s). Include in any cancellation request the FCC Form 471 application number(s) and/or funding request number(s), and the complete name, title and signature of the authorized individual.

Thank you for your cooperation and continued support of the Universal Service Program.

Vibhuti Panchal
Associate Manager, PIA Reviewer
30 Lanidex Plaza West | Parsippany, NJ 07054

No requested due date on this letter as all previous letters no 15 days

Received & Inspected

To: "Panchal, Vibhuti" <vpancha@sl.universalservice.org>

From: Judith Reichard <jreichard@csiu.org>

NOV 03 2012

Subject: Re: ERate App# 836008 MIDD-WEST SCHOOL DISTRICT FCC Mail Room

Cc:

Bcc:

Attached: C:\Documents and Settings\jreichard\My Documents\Midd-West
PIA letter.pdf;

Hi Vibhuti,

Attached please find a letter from the Midd-West Area School District for
your review.

Sorry for the delay but with my vacation and Lynn at Midd West being out it
took time to get it to you.

Should you have any questions, feel free to contact me.

thanks,

Judy

Judy Reichard
E-rate Consultant
570-523-1155, ext. 2100
570-523-6323 - fax
jreichard@csiu.org

*Was sent to Vibhuti
on 14th day before
15 day as all other
request started on
previous annex*

At 09:49 AM 7/18/2012, you wrote:

Please see the attached.

Vibhuti Panchal

Associate Manager, PIA Reviewer

30 Lanidex Plaza West | Parsippany, NJ 07054

MIDD-WEST SCHOOL DISTRICT

568 East Main Street, Middleburg, PA 17042-1295 • 570 837-0046 • Web site: www.mwisd.cc



Received & Inspected
NOV 09 2012
FCC Mail Room

August 1, 2012

Judy Reichard
CSIU #16
PO Box 213
Lewisburg, PA 17837-0213

Dear Judy,

Please accept this statement as clarification of the Service Electric telephone contracts for the Middle-West School District. The first contract was signed and dated on June 10, 2010 was for July 1, 2010 through June 30, 2011 - due to building renovations that were taking place. A form 470 was then filed for the upcoming funding year and a new 60-month contract was signed November 19, 2010 to take effect July 1, 2011. Service Electric was the lowest responsible bidder and this contract supersedes any previous agreements.

Please let me know if you need anything further.

Sincerely,

A handwritten signature in cursive script, reading "Lynn Y. Naugle".

Lynn Y. Naugle
Business Manager

CC: Larry Santora, Service Electric

Middle-West High School
540 East Main Street
Middleburg, PA 17042-1295
570 837-0046

Middleburg Middle School
10 Dock Hill Road
Middleburg, PA 17042-0910
570 837-0551

West Snyder Middle School
645 Snyder Avenue
Beaver Springs, PA 17012-0795
Phone 570 630-0144

Middleburg Elementary School
600 Wagner Street
Middleburg, PA 17042-1294
Phone 570 837-0046

Perry-West Perry Elementary School
10504 Route 35
Mt. Pleasant, PA 17053-0146
Phone 570 539-0820

West Beaver Elementary School
21 South Zeller Street
McChes, PA 17021-0220
Phone 570 630-7341

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Panchal, Vibhuti, 09:43 AM 8/1/2012, Out of Office AutoReply: ERate App# 836008 MI... Page 1 of 1
X-Forefront-Antispam-Report: CIP:65.51.251.17;KIP:(null);UIP:
(null);IPV:NLI;H:email.solixinc.com;RD:email.solixinc.com;EFVD:NLI
X-SpamScore: -52
X-BigFish: vps-52(z8bfRz217bL1818Pc85dhc53eIVzz1202hzzz2dh2a8h668h839hd25h107ah)
Subject: Out of Office AutoReply: ERate App# 836008 MIDD-WEST SCHOOL DISTRICT
Date: Wed, 1 Aug 2012 09:43:01 -0400
X-MS-Has-Attach:
X-MS-TNEF-Correlator:
Thread-Topic: ERate App# 836008 MIDD-WEST SCHOOL DISTRICT
Thread-Index: Ac1v65FgnkKZS9y8SgGtRIqoYiTjMgAAAAMy
From: "Panchal, Vibhuti" <vpancha@sl.universalservice.org>
To: Judith Reichard <jreichard@csiu.org>
X-OriginalArrivalTime: 01 Aug 2012 13:43:13.0093 (UTC) FILETIME=[988C1F50:01CD6FEB]

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I will be out of the office on Wednesday, August 1st and will return on Monday, August 6th. If you require immediate assistance, please contact Donna Barrett at dbarret@sl.universalservice.org.

Confidentiality Notice: The information in this e-mail and any attachments thereto is intended for the named recipient(s) only. This e-mail, including any attachments, may contain information that is privileged and confidential and subject to legal restrictions and penalties regarding its unauthorized disclosure or other use. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution, or the taking of any action or inaction in reliance on the contents of this e-mail and any of its attachments is **STRICTLY PROHIBITED**. If you have received this e-mail in error, please immediately notify the sender via return e-mail; delete this e-mail and all attachments from your e-mail system and your computer system and network; and destroy any paper copies you may have in your possession. Thank you for your cooperation.

Looks like she sent
the info to be completed
so she could leave on
vacation before any 15
day request was
complete -

info was sent
to her before the
15 day usual
request time

August 7, 2012

Received & Inspected

NOV 03 2012

FCC Mail Room

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S Jefferson Rd.
PO Box 902
Whippany, NJ 07981

Technology
Group

RE: Midd-West School District FRN # 2268930

To Whom It May Concern:

Section 1
Please accept this correspondence as the Letter of Appeal in accordance with the instructions set forth on the USAC Schools and Libraries website with respect to the above referenced matter. According to the Funding Commitment Decision Letter dated July 31, 2012, USAC has denied the approval of the money requested on the form 471 Application number #836008. We respectfully disagree.

Section 2
Midd-West School District recently underwent a major renovation project on several buildings throughout the district. During this period the district needed to have Telecommunication (Phone) service upgraded to several existing buildings as the renovations were completed. The district signed an agreement with Service Electric (then the current service provider) to provide this service on June 10, 2010. This agreement was to provide service through June 30, 2011. (The contract signed erroneously had the default 60 month term specified that was not detected by the school district or the service provider) *Letter*

Section 3
A new Form 470 was posted for year 2011 to provide Telecommunication Service for a new contract in accordance with E-Rate regulations. The district received no bids, and a new 5 year contract for Telecommunication Service was signed on November 19, 2010 and a Form 471 was filed requesting the discount. During the PIA review, the district erroneously used the first contract that was signed on June 10, 2010 as reference to the filing of the 2012 filing for Telecommunication Service instead of the November 19, 2010 contract, which superseded the original contract.

Attached is documentation from the school district providing an explanation of both contracts and a copy of the fax form that was sent to the PIA reviewer providing her with copies of both contracts.

We feel that the Funding Commitment Decision for this FRN should be approved and respectfully request that USAC reconsider this request.

Below is a summary of the original contact and application information:

P.O. BOX 213
LEWISBURG, PA. 17837
570-523-1155
FAX 570-524-7104
www.csiu-technology.org

Out

Page 1 of 2

To: "Panchal, Vibhuti" <vpancha@sl.universalservice.org>

Subject: Re: ERate App# 836008 MIDD-WEST SCHOOL DISTRICT

X-Attachments: C:\Documents and Settings\jreichard\My Documents\Midd-West contract Service Electric.pdf;

Hi Vibhuti,

Well, I think I finally got to the bottom of all this. The district sent me a copy of the contract -- see attached.

So through several misunderstanding and conversations with the district, I can now say that the district when stating about closing schools etc thought I was talking about the upcoming filing of the new 470 and 471's for the 13-14 funding year.

As for the funding year 12-13 filing, I did file the Month to Month in error and the 470 number that I stated is accurate.

The attached contract will show that I also had the contract dates in error that I faxed to you or May 12, 2012.

Again, my apology for the confusion.

Judy

Exhibit 1

Judy Reichard

E-rate Consultant

570-523-1155, ext. 2100

570-523-6323 - fax

jreichard@csiu.org

At 08:52 AM 5/23/2012, you wrote:

Please see the attached.

Vibhuti Panchal

Associate Manager, PIA Reviewer

30 Lanidex Plaza West | Parsippany, NJ 07054

T: 973.581.7689 | F: 973.599.6578

vpancha@sl.universalservice.org



Universal Service Administrative Company
Schools & Libraries Division

Received & Inspected

NOV 03 2012

FCC Mail Room

Administrator's Decision on Appeal – Funding Year 2012-2013

October 15, 2012

Judy Reichard
Central Susquehanna Intermediate Unit
90 Lawton Lane
Milton, PA 17847

CSIU
Technology Group
RECEIVED

DATE 10/19/12 INITIALS JR

Re: Applicant Name: MIDD-WEST SCHOOL DISTRICT
Billed Entity Number: 125856
Form 471 Application Number: 836008
Funding Request Number(s): 2268930
Your Correspondence Dated: August 07, 2012

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2012 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2268930
Decision on Appeal: **Denied**
Explanation:

- USAC records indicate that this is a request for a contractual discounted service rather than month-to-month service. During the PIA review Midd-West School District confirmed the establishing FCC Form 470 # 92436000086329 with an Allowable Contract Date (ACD) of November 17, 2010. The record also shows that Midd-West School District submitted a contract signed on June 8, 2010; the Contract Award Date (CAD) was modified from none to June 8, 2010, and the Contract Expiration Date (CED) from none to June 30, 2015. During the PIA review, applicant provided a new copy of the contract with a new CAD of November 19, 2010, with an explanation that "the district informed me that during their 2010 renovation project they needed changes made to their existing service which is when the contract dated 6/8/2010 with their existing vendor was signed. Upon completion of the renovation, a new e-rate 470 was filed and a new

Used the
June date when
the Nov. date should
of been used
they had copies of
both of contracts
and letter from
District.

contract was signed to supersede/cancel the June 2010 contract." PIA contacted Mid-West School District to explain how the contracts differed, their response was reviewed by USAC, which determined that the original contract signed on June 8, 2010 was to be used, as "the applicant has not provided a sufficient explanation of the differences" of the contracts, they appear to be the same.

See section 3
last line.

Applicant was sent a denial letter. Since the Contract Award Date precedes the ACD, Mid-West School District is in violation of this support mechanisms 28-day competitive bidding requirements. Mid-West School District was informed that the FRN would be denied because the contract was signed prior to the Allowable Contract Date. Your appeal has not provided any new information that would demonstrate that USAC's initial determination was incorrect. Therefore your appeal is denied.

USAC has determined, that at the time you submitted your FCC Form 471 application, you did not have a contract with your service provider(s), which meets your state and local or the FCC's definition of a contract. Additionally, the services you requested are not non-contracted tariff or month-to-month services. Except for services to be delivered under non-contracted tariff or month-to-month arrangements, FCC rules require that applicants submit a completed FCC Form 471 "upon signing a contract for eligible services." See 47 C.F.R. sec. 54.504(a). In your appeal, you did not demonstrate that USAC's decision was incorrect. As USAC does not have authority to waive the FCC rules of the program, your appeal is denied.

See
exhibit 1

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

cc: Wesley L. Knapp



Service Electric Telephone

Received & Inspected
NOV 03 2012
FCC Mail Room
1st Contract

SERVICE

SERVICES LEASE AGREEMENT

CSR/SALESPERSON Larry F. Santoro

CSR/SALESPERSON TEL NO: 610-294-7872

THIS SERVICES LEASE AGREEMENT ("Lease") is made and entered into by and between SEED-Plant School Building ("LESSEE"), making at 500 West Main Street, Philadelphia, PA 19102, and SERVICE ELECTRIC TELEPHONE ("LESSOR"), a Pennsylvania corporation having its principal place of business at 4242 March Chunk Road, Coplay, Pennsylvania 18037.

WITNESSETH

In consideration of the premises and covenants herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

I. LEASE

1.1 Upon the terms and conditions hereinafter set forth, LESSOR agrees to lease, install and maintain the telecommunications equipment described in Exhibit A hereto ("Services"). LESSEE shall accept the Services as soon as it has been delivered and is operational ("Cutover"). LESSEE may request additions or modifications to the Services prior to Cutover by executing field change orders specifying such additions or modifications. The following person(s) are authorized to execute change orders on LESSEE's behalf: Larry F. Santoro or Christine Santoro or John Santoro.

II. INSTALLATION

2.1 LESSOR agrees to fully and completely install all Services and provide all labor, parts, and service necessary and incidental to the installation of the Services as per terms and conditions set forth in Exhibit A hereto. Installation shall be performed by qualified, trained personnel in a good and workmanlike manner. LESSEE shall provide all electrical conduit, wiring, outlets and power required to install the Services, and shall be responsible for any costs or expenses of any kind incurred in connection with installation of the Services and for any structural alterations necessary for installation. The Services shall serve SEED-Plant A (Premises).

III. TERM

3.1 Lease Term - This Lease will become effective upon the execution hereof by LESSOR. The term of this Lease shall commence on the activation of the services (hereinafter the "Lease Term"). The contract lease term is 60 months.

3.2 Options of Lease - Upon expiration of Lease Term, LESSEE will have the following options with respect to the Services provided that no Event of Default has occurred prior to said date:

Upon Expiration of Lease Term:

- Renewal of Lease Agreement under the terms set forth in Section 9 hereof; or
- Removal of Services from Premises by LESSOR at LESSOR's sole cost and expense. However, LESSOR shall not be responsible for the cost of any connect repair to Premises caused by said removal.
- Early Termination Fees, if applicable, will be charged to LESSEE.

3.3 Additional - Any additional Services leased as an enhancement, revision or addition to the original Services as set forth in Exhibit A, and amended in writing and approved by both SET and Customer, will be subject to the terms of this Lease Agreement and LESSEE's right to use this additional Service will terminate upon expiration of the Lease Term.

IV. RENT

4.1 Lease Payments: During and throughout the Lease Term, LESSEE agrees to pay to LESSOR, or its assignee, the Lease Payments as set forth in Exhibit A hereto ("Lease Payments"). The Lease Payments will be payable in advance commencing on the date of Cutover and continuing in conjunction with LESSEE's telephone bill each month thereafter without notice or demand at the office of the LESSOR (or such other place as LESSOR or its assignee may from time to time designate in writing). A SERVICE CHARGE equal to the maximum amount allowable by law will be charged against any account for payments not received within thirty (30) days of invoice date.

4.2 Change Orders: In the event of any additions or modifications, LESSOR and LESSEE shall execute a written amendment, as provided by SET, to this Lease within ten (10) days after acceptance.

4.3 Taxes: LESSEE shall pay when due all charges and taxes (local, state and federal) which may now or hereafter be imposed on the leasing, rental, possession or use of the Services, excluding, however, all taxes or measured by LESSOR's income. If LESSEE is not subject to sales or other applicable taxes, it shall furnish LESSOR evidence of such exemption.

RETURN SIGNED ORIGINAL TO: David George, Service Electric Telephone, 4242 March Chunk Road, Coplay, PA 18037

CONTRACTS ADMINISTRATION USE:

ACCOUNT #

PROJECT #

SD#

EXHIBIT A

Received & Inspected
NOV 03 2012
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Services:

Midt-West District Office
568 East Main Street
Middleburg, PA 17842

Midt-West High School
540 East Main Street
Middleburg, PA 17842

Middleburg Middle School
10 Dock Hill Road
Middleburg, PA 17842

Middleburg Elementary School
600 Wagonseller Street
Middleburg, PA 17842

Quantity	Description	Price	Total
1	PRI	\$350.00	\$350.00
2	Block 20 DIDs	\$5.00	\$ 10.00
9	Dial Tone	\$11.50	\$103.50
23	Caller ID	\$No Charge, included in cost of PRI.	
	Total		\$463.50

Unlimited local calling
.03/minute long distance

(Applicable local, state and federal charges may apply)

V. STANDARD TERMS & CONDITIONS:

5. **RATE STABILITY PLAN:** The Rate Stability Plan, as defined herein, shall govern those rates due and payable under Section 5 of this Agreement:

a) Throughout the Term of this Agreement, LESSOR guarantees the rates for the non-regulated service as described on Exhibit A ("Monthly Charge"), at the rate in effect on the Effective Date of this Agreement, provided that LESSEE either retains at least 80% of the services or increases services by 100% as contracted for hereunder. The non-regulated Monthly Charge shall not be subject to increase at any time during the Service Term, including any increases which LESSOR may be entitled to charge as a result of changes in its cost.

b) LESSEE understands and acknowledges that LESSOR and any 3rd party providing service to LESSOR who is subject to any and all regulated charges which are mandated by a state regulatory agency, the FCC, and any other applicable regulatory bodies, and therefore, LESSEE Mandated Charge cannot be guaranteed for any period of time or service term, and that it is conceivable that such charges may at any time fluctuate from those in effect on the Effective Date of this Agreement, to comply with the mandates of said regulatory bodies. Accordingly, LESSEE acknowledges that all such charges are excluded from LESSOR's commitment to stabilize LESSEE's Monthly Charge under this Section 5b).

c) In the event that LESSEE transfers or moves its business from the Premises to another location within LESSOR's same serving central office area, and provided that LESSOR at its sole discretion determines that said other location contains sufficient cable facilities to provide line service or a separate central office switch, said transfer or move shall not be considered an Event of Default hereunder. Further, while such transfer or move will not default this Agreement or this Rate Stability Plan, LESSEE will be obliged to pay LESSOR for all applicable line relocation costs, which shall be billed at LESSOR's prevailing rates for labor and material.

d) In the event LESSEE sells, transfers, leases or otherwise disposes of its business or the Premises during this Service Term, and LESSEE provides LESSOR with at least ninety (90) days prior written notice of the nature and effective date thereof, and LESSEE's successor enters into a Service Agreement with LESSOR for Service identical to that contracted for hereunder by LESSEE for the same number of years, then LESSOR may waive LESSEE's obligation to pay the Early Termination Fee and the Administrative Fee. In the event LESSEE's successor does not enter into a Service Agreement, LESSEE may terminate this Agreement only in accordance with the provisions of Section 16 herein.

e) If the CUSTOMER moves its business to an area where SET is not currently providing service, the Customer shall remain liable for the Early Termination Fees as defined in Section V 18.

6. SERVICE

RETURN SIGNED ORIGINAL TO: David George, Service Electric Telephone, 4242 Mauch Chunk Road, Coplay, PA 18037

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NOV 03 2012
FCC Mail Room

CONTRACTS ADMINISTRATION USE:

ACCOUNT # PROJECT # SO#

6.1 Service Payments: During and throughout the Service Term, LESSEE agrees to pay to LESSOR or its assignee the Service Payments as set forth in Exhibit A hereto ("Service Payments"). The Service Payments will be payable in advance commencing on the date of Cutover and continuing in conjunction with LESSEE's telephone bill each month thereafter without notice or demand at the office of LESSOR (or such other place as LESSOR or its assignee may from time to time designate in writing). A Service Charge equal to the minimum amount allowable by law will be charged against any account for payments not received within thirty (30) days of date of invoice. Service Payments will be absolute and unconditional in all events and will not be subject to any set-off, defense, counterclaim, or recoupment for any reason whatsoever.

6.2 Change Orders: The total Service Payments, as defined on Exhibit A, are subject to change if any additions, deletions or changes in Service are made pursuant to LESSOR's written amendment hereto.

6.3 Taxes: LESSEE shall pay when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed on the possession or use of the Service, including, however, all taxes on or measured by LESSOR's income. If LESSEE is not subject to sales or other applicable taxes, it shall furnish LESSOR with evidence of such exemption.

7. INTERRUPTION OF SERVICE: A pro rata credit allowance will be made for an interruption in Service of 5 days or more in accordance with LESSOR's tariff, available to LESSEE upon request.

8. LIMITATION OF LIABILITY: THE SOLE LIABILITY OF LESSOR FOR LOSS OR DAMAGES ARISING OUT OF MISTAKES, OMISSIONS, DELAYS, ERRORS, OR DEFECTS IN THE SERVICE, NOT DUE TO THE NEGLIGENCE OR MISUSE OF LESSEE, ITS EMPLOYEES, OR AGENT SHALL NOT EXCEED AN AMOUNT EQUIVALENT TO THE PROPORTIONATE CHARGE TO LESSEE FOR THE PERIOD DURING WHICH THE MISTAKE, OMISSION, DELAY, ERROR OR DEFECT IN SERVICE OCCURRED. LESSOR IS NOT LIABLE FOR ANY ACT OR OMISSION OF A THIRD PARTY OR OTHER NON-LESSOR PROVIDER OF FACILITIES FOR INTERRUPTIONS, ERRORS, DELAYS OR DEFECTS IN SERVICES WHEN CAUSED BY OR ARISING OUT OF THE DESIGN, CONSTRUCTION OR INSTALLATION OF THE SERVICE, INCLUDING BUT NOT LIMITED TO IMPROPER WIRING, INSTALLATION REPAIR OR ALTERATION BY ANYONE OTHER THAN LESSOR. IN NO EVENT SHALL LESSOR BE HELD LIABLE FOR ANY LOSS OR DAMAGE EXCEPT SPECIFICALLY PROVIDED HEREIN, FOR ANY INJURY OR DAMAGE TO PERSONS OR PROPERTY ARISING OUT OF LESSEE'S USE OF THE SERVICE. NEITHER LESSOR, NOR ANY AFFILIATES OR SUBSIDIARIES, PARENT CORPORATION, OR ANY OF ITS PARENT'S AFFILIATES OR SUBSIDIARIES ASSUMES ANY LIABILITY FOR INCIDENTAL, CONSEQUENTIAL, DIRECT OR INDIRECT LOSS OR DAMAGE (INCLUDING WITHOUT LIMITATION BODILY INJURY, LOSS OF PROFITS, LOSS OF PRODUCTION OR LIABILITY TO ANY THIRD PARTY) OR FOR ANY SPECIAL OR PUNITIVE DAMAGES OF ANY NATURE WHATSOEVER, ARISING FROM THE SERVICES PROVIDED FOR HEREIN.

9. CONTINUATION OF SERVICE OPTION: LESSEE understands and acknowledges that LESSOR cannot guarantee that its Rate Stability Plan will still be available upon expiration of the Term of this Agreement, or that a renewal of this Agreement will be available under the same terms and/or for the same Service Payments. However, upon thirty (30) days prior written notice from LESSEE to LESSOR, and provided that there is no Event of Default (as hereinafter defined) or any event which with notice or lapse of time, or both, could become an Event of Default, LESSOR shall provide LESSEE the opportunity to execute LESSOR's then current Agreement containing its prevailing terms and rates. Said Agreement, if accepted by LESSEE, shall commence upon expiration of the Service Term hereto, and shall effectively provide LESSEE with continuation of the Service.

10. EVENTS OF DEFAULT: The term "Events of Default" as used hereto, means the occurrence of any one or more of the following terms:

10.1 LESSEE fails to make any Service Payment as it becomes due in accordance with the terms of this Agreement, and any such failure continues for thirty (30) days after due date thereof;

10.2 LESSEE fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by LESSOR.

10.3 The discovery by LESSOR that any statement, representation or warranty by LESSEE in this Agreement or in any writing ever delivered by LESSEE pursuant hereto or in connection herewith is false, misleading, or erroneous in any material respect.

11. REMEDIES: Upon the occurrence of an Event of Default by LESSEE, and as long as such Event of Default is continuing, LESSOR may, at its option, exercise any one or more of the following remedies:

11.1 By written notice to LESSEE declare an amount equal to all amounts then due under this Agreement and all remaining Service Payments due during the Service Term to be immediately due and payable.

11.2 By written notice to LESSEE, at LESSEE's expense, promptly disconnect the Service.

11.3 Exercise any other right, remedy or privilege which may be available to it under applicable laws or proceed by appropriate court action to enforce the terms of this Agreement or to recover damages for the breach of this Agreement or to rescind this Agreement as to any or all of the Agreement.

In addition, LESSEE will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs incurred by LESSOR with respect to the enforcement of any of the remedies listed above or any other remedy available to LESSOR.

12. FORCE MAJEURE: If during the performance of this Agreement, or any obligation thereunder, the service is interfered with by reason of any circumstances beyond the control of the party who must raise action of a Force Majeure, including without limitation, the operating telephone company servicing the premises, fire, lightning, explosion or other casualty, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies: any law, order, regulation, ordinance or requirement of any government or legal body of any representative of any such government; or labor unrest, including without limitation, strikes, slowdowns, picketing or boycotts, then the party who must waive the action of Force Majeure shall be excused from such performance on a day-to-day basis.

13. ADDITIONAL SERVICE: Any additional Service as requested by LESSEE, defined on Exhibit A, as an enhancement or addition to the original Agreement set forth in Exhibit A hereto will be subject to terms of this Service Agreement and LESSEE's right to use this additional Service will terminate upon expiration of the Service Term. Additional service will be billed at the rates contained in Exhibit A.

14. WARRANTY:

LESSOR warrants that it is the lawful owner of the Services and that its title to the Services is free and clear of any lien, claim or encumbrance. LESSEE shall be entitled, during the term of this Lease and all contracts thereof, to use the Services without disturbance, subject to LESSEE's obligation to make the required Lease Payments hereunder.

THE FOREGOING WARRANTY CONSTITUTES LESSOR'S ONLY WARRANTY WITH RESPECT TO THE SERVICES. LESSEE ACKNOWLEDGES THAT LESSOR HAS MADE NO OTHER REPRESENTATION OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONDITION OR PERFORMANCE OF THE SERVICES, ITS MERCHANTABILITY OF FITNESS FOR A PARTICULAR PURPOSE. LESSOR SHALL HAVE NO LIABILITY TO LESSEE FOR ANY CLAIM, LOSS OR DAMAGE OF ANY KIND OR NATURE WHATSOEVER, NOR SHALL THERE BE ANY ABATEMENT OF LEASE PAYMENTS, FOR ANY REASON INCLUDING CLAIMS ARISING OUT OF OR IN CONNECTION WITH THE DEFICIENCY OR INADEQUACY OF THE CIRCUIT FOR ANY PURPOSE, WHETHER OR NOT KNOWN OR DISCLOSED TO LESSOR, ANY DEFICIENCY OR DEFECT IN THE SERVICES, THE USE OR PERFORMANCE OF THE SERVICES, OR ANY LOSS OF BUSINESS OR DATA OR OTHER INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE WHETHER OR NOT RESULTING FROM ANY OF THE FOREGOING.

15. MAINTENANCE, REPAIR AND MODIFICATIONS:

15.1 Maintenance: Commencing upon Cutover and throughout the Lease Term, LESSOR agrees to perform all necessary Maintenance to the Services, as hereinafter defined, without charge therefore to LESSEE other than the Lease Payments. The term "Maintenance" shall include the repair and replacement of any Services to keep the Services fully operational, including, without limitation, the repair and replacement of wire, cable, telephone instruments, apparatus, switching gear, and all hardware and software, including all materials, delivery and labor required with respect to any of the above items. LESSOR shall retain the exclusive privilege to maintain and repair any and all Services leased hereunder unless said privilege is amended or waived in writing executed by both parties to this Lease.

15.2 Notification of Service Interruption: LESSEE shall notify LESSOR in the event of any Services failure or malfunction, and LESSOR shall provide Maintenance in accordance with its normal operating procedures. A "Major Failure" (i.e., no calls in or out, or no intercom operation at all, major portion of telecommunications system not working) shall constitute an emergency condition. "Minor Failure" (i.e., no overall effect to Services operation; individual telephone problems) shall include all failures which do not constitute Major Failures. LESSOR shall provide Maintenance for Major Failures and Monday through Friday Minor Failure Maintenance during normal working hours (8:00 a.m. to 4:30 p.m.) Mondays through Friday, holidays excluded ("Regular Hours"). LESSEE specifically agrees that the Minor Failure Maintenance calls made by LESSOR, upon LESSEE's request, after 4:30 p.m. or before 8:00 a.m. on weekdays, or at any time on Saturdays, Sundays, or holidays, will be invoiced to LESSEE at LESSOR's then prevailing rates, with a minimum two hour charge per visit by servicemen.

15.3 Access: LESSEE will permit LESSOR's representatives free access to the Premises for Maintenance purposes, provided that such Maintenance will not, other than in a Major Failure condition, unduly interrupt the ongoing business operations of LESSEE. If LESSOR is unable to commence performance of its Maintenance obligations hereunder due to the fault of the LESSEE, any costs incurred by LESSOR during this time, including travel, normal rate and overtime labor rate expenses will be charged to and made the responsibility of the LESSEE.

15.4 Exclusions From Maintenance Obligations: LESSOR's obligation to perform Maintenance under this Lease is conditioned upon (i) the Services not having been altered, maintained or repaired by any party other than LESSOR without LESSOR's prior consent, (ii) the malfunction not being the result of mishandling, abuse, misuse, improper operation, improper storage, or improper installation by anyone other than LESSOR (including use in conjunction with Circuit electrically or mechanically incompatible and, (iii) upon the Services not having been damaged by theft, vandalism, fire, lightning, explosion, power failure, or other casualty or act of God. LESSOR's obligation to provide maintenance hereunder does not include parts and labor associated with normal aging such as batteries, magnetic tape, disks, headsets, firmware or the use of consumable items such as teletype paper or printer ribbons.

15.5 Other Services: All non-maintenance work, such as additions, deletions, upgrades, moves and changes, performed by LESSOR other on the Premises or remotely at the LESSEE's request during Regular Hours, shall be billed at the LESSOR's then prevailing material and labor rates. All such non-maintenance work performed by LESSOR at the LESSEE's request during other than Regular Hours shall be billed at the LESSOR's then prevailing overtime labor rates.

16. INDEMNIFICATION:

LESSEE shall indemnify LESSOR against, and hold LESSOR harmless from, any and all claims, actions, proceedings, expenses, damages or liabilities, including attorney's fees and court costs, arising in connection with LESSEE's use and possession of the Circuit.

17. ASSIGNMENT:

Without LESSOR's prior written consent, LESSEE shall not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of this Lease or the Services or any interest in this Lease or the Services, or (ii) sublet or rent the Services or permit it to be used by anyone other than LESSEE or LESSEE's employees. LESSOR may assign its rights, title and interest in and to

RETURN SIGNED ORIGINAL TO: David George, Service Electric Telephone, 4242 Mauch Chunk Road, Coplay, PA 18037

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PROJECT #

BOX #

this Lease, the Services and any other documents executed with respect to this Lease and/or grant or assign a security interest in this Lease and the Services, in whole or in part. Any assignee shall have all of the rights of LESSOR under this Lease. Subject to the foregoing, this Lease issues to the benefit of and is binding upon the successors and assigns of the parties hereto. Upon assignment of LESSOR's interest herein, LESSOR will cause written notice of such assignment to be sent to LESSEE which will be sufficient if it discloses the name of the assignee and address to which further payments hereunder should be made. No further action will be required by LESSOR or by LESSEE to evidence the assignment, but LESSEE will acknowledge such assignments in writing if so requested.

19. **TERMINATION:**

In the event of a breach of this Agreement by either party, the non-defaulting party may terminate upon occurrence of said default. The non-defaulting party shall provide the defaulting party with thirty (30) days in which to cure. Failure to cure said default shall, at the option of the non-defaulting party, result in termination. An Event of Default shall mean the occurrence of the following:

19.1 Lessee fails to make any Service Payment as it becomes due in accordance with the terms of this Agreement, and any such failure continues for thirty (30) days after the due date thereof;

19.2 Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by Lessor;

19.3 The discovery by Lessor that any statement, representation or warranty by Lessee in this Agreement or in any writing ever delivered by Lessee pursuant thereto or in connection herewith is false, misleading, or erroneous in any material respect.

19.4 Upon termination of this Agreement prior to the Termination Date, as defined herein ("Early Termination Date"), SET, at its sole discretion, will impose an Early Termination Fee as follows: LESSEE agrees to pay SET 25% of the average monthly usage for the remainder of the contract term.

19. **RENEWAL OPTION:**

Provided that there is no Event of Default (as defined herein) or any event which with notice or lapse of time, or both, could become an Event of Default, this Service Lease will automatically renew on a one (1) year basis upon expiration of the initial Lease Term. At its sole discretion, LESSOR reserves the right to alter its lease amounts upon this renewal option. LESSOR shall provide written notice of any change in the Lease Rental Payment to LESSEE. If within two (2) months of receipt of the new Lease Rental Payment, the LESSOR and LESSEE are unable to agree upon a revised Lease Rental Payment, this Agreement shall terminate upon the provision of thirty (30) day written notice by either party. All other terms and conditions of the original Lease Agreement shall remain in effect during any such renewal period unless amended in writing by the parties.

20. **MISCELLANEOUS:**

20.1 **Integration; Waiver:** This Agreement, and any and all Amendments hereto shall constitute the entire agreement of the parties hereto and correctly set forth the rights, duties and obligations of each to the other as of its date. No representation or statement made by any representative of LESSOR not stated herein, and no provision in any purchase order or any other similar writing that may be submitted by LESSEE to LESSOR shall be binding upon LESSOR. The waiver by LESSOR of any breach by LESSEE of any terms, covenant or condition hereof shall not operate as a waiver of any subsequent breach hereof.

20.2 **Governing Law:** This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

20.3 **Modification; Severability; Headings:** This Agreement may be modified or changed only by written amendment signed by both parties. No provision of this Agreement which may be unenforceable shall in any way invalidate any other provision hereof. Headings used herein are for convenience of reference only and shall not affect the meaning or interpretation of any provision hereof.

20.4 **Effective Date:** This Agreement shall be effective on the date of Closing.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have caused this Services Lease Agreement to be executed by their duly authorized representative.

CUSTOMER AUTHORIZED SIGNATURE

PRINT NAME:

Nancy O Krah

DATE:

June 8, 2010

TITLE (if applicable):

Board President

BY X:

Nancy O Krah

One copy will be returned to you with both parties' signatures.

SERVICE ELECTRIC TELEPHONE

PRINT NAME: Patricia Stewart

DATE:

June 10, 2010

TITLE: Director of Finance

BY X:

Patricia L Stewart

THIS SERVICES LEASE AGREEMENT SHALL NOT BE BINDING UPON SET UNTIL ACCEPTED BY SET IN WRITING.

RETURN SIGNED ORIGINAL TO: David George, Service Electric Telephone, 4242 Mauch Chunk Road, Coplay, PA 18037



Service Electric Telephone

Received & Inspected
NOV 03 2012
FCC Mail Room

2nd
Contract

SERVICE SERVICES LEASE AGREEMENT

CSR/SALESPERSON: Larry F. Santora

CSR/SALESPERSON TEL NO: 570-204-7972

THIS SERVICES LEASE AGREEMENT ("Lease") is made and entered into by and between Middle West School District ("LESSEE"), residing at 568 East Main Street, Middleburg, PA 17842, and SERVICE ELECTRIC TELEPHONE ("LESSOR"), a Pennsylvania corporation having its principal place of business at 4242 Mauch Chunk Road, Coplay, Pennsylvania 18037.

WITNESSETH

In consideration of the promises and covenants herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

I. LEASE

1.1 Upon the terms and conditions hereinafter set forth, LESSOR agrees to lease, install and maintain the telecommunications equipment described in Exhibit A hereto ("Services"). LESSEE shall accept the Services as soon as it has been delivered and is operational ("Cutover"). LESSEE may request additions or modifications to the Services prior to Cutover by executing field change orders specifying such additions or modifications. The following person(s) are authorized to execute change orders on LESSEE's behalf: Lynn Y. Nangle or Daphne Snook or Jim Edmiston.

II. INSTALLATION

2.1 LESSOR agrees to fully and completely install all Services and provide all labor, parts, and service necessary and incidental to the installation of the Services as per terms and conditions set forth in Exhibit A hereto. Installation shall be performed by qualified, trained personnel in a good and workmanlike manner. LESSEE shall provide all electrical conduit, wiring, outlets and power required to install the Services, and shall be responsible for any costs or expenses of any kind incurred in connection with installation of the Services and for any structural alterations necessary for installation. The Services shall serve See Exhibit A (Premises).

III. TERM:

3.1 Lease Term - This Lease will become effective upon the execution hereof by LESSOR. The term of this Lease shall commence on the activation of the services (Hereinafter the "Lease Term"). The contract lease term is 60 months.

3.2 Options of Lease - Upon expiration of Lease Term, LESSEE will have the following options with respect to the Services provided that no Event of Default has occurred prior to said date:

Upon Expiration of Lease Term:

- Renewal of Lease Agreement under the terms set forth in Section 9 hereof; or
- Removal of Services from Premises by LESSOR at LESSOR's sole cost and expense. However, LESSOR shall not be responsible for the cost of any cosmetic repair to Premises caused by said removal.
- Early Termination Fee, if applicable, will be charged to LESSEE.

3.3 Additional - Any additional Services leased as an enhancement, revision or addition to the original Services as set forth in Exhibit A, and amended in writing and approved by both SET and Customer, will be subject to the terms of this Lease Agreement and LESSEE's right to use this additional Service will terminate upon expiration of the Lease Term.

IV. RENT:

4.1 Lease Payments: During and throughout the Lease Term, LESSEE agrees to pay to LESSOR, or its assigned, the Lease Payments as set forth in Exhibit A hereto ("Lease Payments"). The Lease Payments will be payable in advance commencing on the date of Cutover and continuing in conjunction with LESSEE's telephone bill each month thereafter without notice or demand at the office of the LESSOR (or such other place as LESSOR or its assigns may from time to time designate in writing). A SERVICE CHARGE equal to the maximum amount allowable by law will be charged against any account for payments not received within thirty (30) days of invoice date.

4.2 Change Orders: In the event of any additions or modifications, LESSOR and LESSEE shall execute a written amendment, as provided by SET, to this Lease within ten (10) days after acceptance.

4.3 Taxes: LESSEE shall pay when due all charges and taxes (local, state and federal) which may now or hereafter be imposed on the leasing, rental, possession or use of the Services, excluding, however, all taxes or measured by LESSOR's income. If LESSEE is not subject to sales or other applicable taxes, it shall furnish LESSOR evidence of such exemption.

RETURN SIGNED ORIGINAL TO: David George, Service Electric Telephone, 4242 Mauch Chunk Road, Coplay, PA 18037

No
List
hard to
read this
section
for data

Services:

Midd-West District Office
568 East Main Street
Middleburg, PA 17842

Midd-West High School
540 East Main Street
Middleburg, PA 17842

Middleburg Middle School
10 Dock Hill Road
Middleburg, PA 17842

Middleburg Elementary School
600 Wagenseller Street
Middleburg, PA 17842

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Quantity	Description	Price	Total
1	PRI	\$350.00	\$350.00
2	Block 20 DIDs	\$5.00	\$ 10.00
9	Dial Tone	\$11.50	\$103.50
23	Caller ID	\$No Charge, Included in cost of PRI.	
	Total		\$463.50

Unlimited local calling
.03/minute long distance

(Applicable local, state and federal charges may apply)

V. STANDARD TERMS & CONDITIONS:

6. **RATE STABILITY PLAN:** The Rate Stability Plan, as defined herein, shall govern those rates due and payable under Section 5 of this Agreement:

a) Throughout the Term of this Agreement, LESSOR guarantees the rates for the non-regulated service as described on Exhibit A ("Monthly Charge"), at the rate in effect on the Effective Date of this Agreement, provided that LESSEE either retains at least 90% of the services or increases services by 100% as contracted for hereunder. The non-regulated Monthly Charge shall not be subject to increase at any time during the Service Term, including any increases which LESSOR may be entitled to charge as a result of changes in its tariffs.

b) LESSEE understands and acknowledges that LESSOR and any 3rd party providing service to LESSOR who is subject to any and all regulated charges which are mandated by a state regulatory agency, the FCC, and any other applicable regulatory bodies, and therefore, LESSEE Mandated Charges cannot be guaranteed for any period of time or service term, and that it is conceivable that such charges may at any time fluctuate from those in effect on the Effective Date of this Agreement, to comply with the mandates of said regulatory bodies. Accordingly, LESSEE acknowledges that all such charges are excluded from LESSOR's commitment to stabilize LESSEE's Monthly Charge under this Section 6b).

c) In the event that LESSEE transfers or moves its business from the Premises to another location within LESSOR's same serving central office area, and provided that LESSOR at its sole discretion determines that said other location contains sufficient cable facilities to provide line service or a remote central office switch, said transfer or move shall not be considered an Event of Default hereunder. Further, while such transfer or move will not disturb this Agreement or this Rate Stability Plan, LESSEE will be obliged to pay LESSOR for all applicable line relocation costs, which shall be billed at LESSOR's prevailing rates for labor and material.

d) In the event LESSEE sells, transfers, leases or otherwise disposes of its business or the Premises during this Service Term, and LESSEE provides LESSOR with at least ninety (90) days prior written notice of the nature and effective date thereof, and LESSEE's successor enters into a Service Agreement with LESSOR for Service identical to that contracted for hereunder by LESSEE for the same number of years, then LESSOR may waive LESSEE's obligation to pay the Early Termination Fee and the Administrative Fee. In the event LESSEE's successor does not enter into a Service Agreement, LESSEE may terminate this Agreement only in accordance with the provisions of Section 18 herein.

e) If the CUSTOMER moves its business to an area where SET is not currently providing service, the Customer shall remain liable for the Early Termination Fees as defined in Section V 18.

6. SERVICE:

RETURN SIGNED ORIGINAL TO: David George, Service Electric Telephone, 4242 Mauch Chunk Road, Coplay, PA 18037

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this Lease, the Services and any other documents executed with respect to this Lease and/or grant or assign a security interest in this Lease and the Services, in whole or in part. Any assignment shall have all of the rights of LESSOR under this Lease. Subject to the foregoing, this Lease issues to the benefit of and is binding upon the successors and assigns of the parties hereto. Upon assignment of LESSOR's interest herein, LESSOR will cause written notice of such assignment to be sent to LESSEE which will be sufficient if it discloses the name of the assignee and address to which further payments hereunder should be made. No further action will be required by LESSOR or by LESSEE to evidence the assignment, but LESSEE will acknowledge such assignments in writing if so requested.

18. TERMINATION:

In the event of a breach of this Agreement by either party, the non-defaulting party shall terminate upon occurrence of said default. The non-defaulting party shall provide the defaulting party with thirty (30) days in which to cure. Failure to cure said default shall, at the option of the non-defaulting party, result in termination. An Event of Default shall mean the occurrence of the following:

18.1 Lessee fails to make any Service Payment as it becomes due in accordance with the terms of this Agreement, and any such failure continues for thirty (30) days after the due date thereof;

18.2 Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by Lessor;

18.3 The discovery by Lessor that any statement, representation or warranty by Lessee in this Agreement or in any writing ever delivered by Lessee pursuant thereto or in connection herewith is false, misleading, or otherwise in any material respect.

18.4 Upon termination of this Agreement prior to the Termination Date, as defined herein ("Early Termination Date"), SET, at its sole discretion, will impose an Early Termination Fee as follows: LESSEE agrees to pay SET 25% of the average monthly usage for the remainder of the contract term.

19. RENEWAL OPTION:

Provided that there is no Event of Default (as defined herein) or any event which with notice or lapse of time, or both, could become an Event of Default, this Service Lease will automatically renew on a one (1) year basis upon expiration of the initial Lease Term. At its sole discretion, LESSOR reserves the right to alter its lease amounts upon this renewal option. LESSOR shall provide written notice of any change in the Lease Rental Payment to LESSEE. If within two (2) months of receipt of the new Lease Rental Payment, the LESSOR and LESSEE are unable to agree upon a revised Lease Rental Payment, this Agreement shall terminate upon the provision of thirty (30) day written notice by either party. All other terms and conditions of the original Lease Agreement shall remain in effect during any such renewal period unless amended in writing by the parties.

20. MISCELLANEOUS:

20.1 Integration; Waiver: This Agreement, and any and all Amendments hereto shall constitute the entire agreement of the parties hereto and correctly set forth the rights, duties and obligations of each to the other as of its date. No representation or statement made by any representative of LESSOR not stated herein, and no provision in any purchase order or any other similar writing that may be submitted by LESSEE to LESSOR shall be binding upon LESSOR. The waiver by LESSOR of any breach by LESSEE of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach thereof.

20.2 Governing Law: This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

20.3 Modification; Severability; Headings: This Agreement may be modified or changed only by written amendment signed by both parties. No provision of this Agreement which may be unenforceable shall in any way invalidate any other provision hereof. Headings used herein are for convenience of reference only and shall not affect the meaning or interpretation of any provision hereof.

20.4 Effective Date: This Agreement shall be effective on the date of Closing.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have caused this Services Lease Agreement to be executed by their duly authorized representative.

CUSTOMER AUTHORIZED SIGNATURE

PRINT NAME: NANCY O. KROH

DATE: 11-19-2010

TITLE (if applicable): BOARD PRESIDENT

BY X:

Nancy O. Kroh

One copy will be returned to you with both parties' signatures.

SERVICE ELECTRIC TELEPHONE

PRINT NAME: David George

DATE: NOV 19 2010

TITLE: Director of Finance

David George

THIS SERVICES LEASE AGREEMENT SHALL NOT BE BINDING UPON SET UNTIL ACCEPTED BY SET IN WRITING.

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